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Implementing the post-2015 development agenda: moving from commitments to results

Report of the Secretary-General

Summary

The 2030 Agenda for Sustainable Development reflects a paradigm shift in development and international cooperation with consequent implications for its implementation and the delivery of results. Fundamental principles for its implementation include those of universality, policy integration and leaving no one behind. The present report, provided in response to Economic and Social Council decision E/2015/203 and General Assembly resolutions 61/16 and 68/1, discusses the steps that could be taken to ensure a strong start in the implementation of the 2030 Agenda. It emphasizes the central role of national ownership in achieving the Sustainable Development Goals and the need for aligning existing policies and plans for sustainable development with the 2030 Agenda on the basis of the localization of the Goals and targets, increased policy integration and enhanced capacities for evidence-based and data-driven decision-making. Emphasis is also given to the complementary support of a revitalized global partnership for national efforts and the need for transformative shifts and innovation to mobilize the means of implementation. The United Nations will need to lead by example by improving system-wide coherence and mainstreaming the principles and objectives of the 2030 Agenda into policies and programmes at all levels. The Economic and Social Council system will enhance its contribution to the advancement of sustainable development by promoting global norms, building a shared knowledge base, providing policy recommendations and supporting a coherent, inclusive follow-up and review of the 2030 Agenda.

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I. Introduction

1. The 17 Sustainable Development Goals and related targets of the 2030 Agenda for Sustainable Development came into effect on 1 January 2016. Between now and 2030, the new Goals will apply universally to all countries. Governments, working with partners from all segments of society, will mobilize efforts to advance sustainable development, alongside global efforts to build peace and security and promote respect for human rights.

2. The 2030 Agenda reflects a paradigm shift in development and international cooperation. It builds on the experiences of the Millennium Development Goals, with a sharpened focus on reducing inequalities and on the interrelated nature of the economic, social and environmental dimensions of sustainable development. It prioritizes efforts by all actors to contribute to progress through partnerships, on the basis of a spirit of strengthened international and intergenerational solidarity.

3. The 2030 Agenda will be implemented according to each country's own sustainable development policies and plans and will be supported by a revitalized global partnership. It is a global road map for the next 15 years and will be bolstered by the policies and actions contained in the Addis Ababa Action Agenda.

4. As attention shifts to the implementation of the 2030 Agenda, the strong political will and commitment that drove consensus on its adoption will need to be translated into concrete action and sustained. Implementation plans should already be in progress, with the contributions of citizens incorporated into their design and critical milestones identified for assessing results.

5. Moving from commitments to results successfully offers myriad opportunities to consider new tools and approaches for sustainable development, yet will be a formidable task. Such opportunities include enhanced connectivity, the spread of new technologies and scientific advances, as well as large flows of information, resources and people. These developments can be leveraged in positive ways but, if poorly managed, can exacerbate challenges and weaken implementation.

6. Implementation occurs against a backdrop of an increasingly complex international context defined by several trends that require systemic responses. With regard to the economic dimension, policymakers are confronted with the need to stimulate investment and revive global growth in the face of persistent macroeconomic uncertainties, low commodity prices, sluggish trade growth, stagnant investment and a slowdown in productivity growth. Economic slowdown in many developing economies could hamper poverty eradication.

7. With regard to the social dimension, while poverty has declined dramatically around the world and health care and educational opportunities are better than ever before, progress has been uneven. Gender inequality continues to be pervasive and, across countries, large gaps remain between the life outcomes and opportunities of the poorest and richest and between rural and urban areas. Gaps in global progress are especially apparent in countries affected by increasingly protracted conflict or crises.

8. With regard to the environmental dimension, damaged ecosystems and climate change are undermining and, in some cases, reversing progress. For example, in the absence of improved ecosystem management, it is estimated that the increased demand for and unsustainable use of water will lead to a 40 per cent global water

shortage by 2030.[1] At the same time, and for the first time in 20 years except for 2009, global energy-related carbon emissions experienced no growth in 2014. This suggests that economic growth and carbon emission growth can be delinked as long as appropriate policies and adequate investment are available and applied meaningfully.

II. Scope and implications of the 2030 Agenda for Sustainable Development

9. Given the wide scope and level of ambition outlined in the 2030 Agenda, implementation should begin on a solid footing. If concerted action is not taken in the initial years of the 2030 Agenda, it will be difficult to achieve all Sustainable Development Goals and targets by 2030. The expectations of citizens around the world are high. This is especially true for the poorest and for people living in developing countries, in particular African countries, least developed countries, small island developing States and landlocked developing countries, as well as in conflict-affected and post-conflict countries, for which success is a critical matter.

10. The Sustainable Development Goals address the unfinished business of the Millennium Development Goals and expand the notion of development. Major policy and institutional shifts are critical for responding to the 2030 Agenda. The key guiding principles of universality, policy integration and leaving no one behind will have major implications for the work of all actors at all levels, in particular the need to think innovatively about how and with whom they work in pursuit of sustainable development.

A. Leaving no one behind

11. A key lesson of the Millennium Development Goals has been that sustainable development cannot be achieved without the eradication of poverty in all its dimensions. The changing profile of poverty and rising inequality within and among countries have also emerged as challenges. The 2030 Agenda has responded to those challenges by committing States to defeating the "tyranny" of poverty, leaving no one behind in the process and endeavouring "to reach the furthest behind first". It also emphasizes the importance of intergenerational equity by prioritizing the protection of the planet for present and future generations.

12. Reaching the furthest behind first presupposes that those have been identified and that the economic, social and environmental threats that they face are understood and factored into strategies to build resilience. This challenges conventional development approaches and creates a new, significant demand on capacities for data generation and management.

13. Poverty is the most salient expression of vulnerability and the greatest obstacle to reducing inequality of outcomes, opportunities and capabilities. The lives and livelihoods of the poorest are the most vulnerable to short-term shocks, which affect

[1] 2030 Water Resources Group, *Charting our Water Future: Economic Frameworks to Inform Decision-Making* (2009).

livelihoods and well-being. As a result, the poorest rely on the efficient provision of social services to cope with crises.

14. The achievement of Sustainable Development Goal 10 on reducing inequality within and among countries will require focusing on structural inequalities that determine poverty and vulnerability within societies. Policies need to be designed to address the multidimensional aspects of inequality and must also take into account vulnerabilities caused by environmental factors, including climate vulnerability, and their potential to exacerbate inequality. This requires more innovation to reach marginalized groups, facilitated by knowledge and information-sharing among States and partners.

15. Inequalities among countries will require multilateral institutions to be engaged effectively in developing countries, in particular least developed countries, small island developing States, landlocked developing countries, African countries and conflict-affected and post-conflict countries. It is in those countries that barriers to the achievement of the Sustainable Development Goals are potentially the highest.

16. An analysis carried out by the United Nations Conference on Trade and Development (UNCTAD) has shown that achieving the Sustainable Development Goals in the least developed countries will require a rate of structural transformation comparable to that in the most economically successful developing countries in recent years, with poverty reduction rates even faster than that of China. In the poorest countries, national efforts will need to increase dramatically in areas such as secondary education, electricity supply and sanitation to reach the Goals by 2030. Such a transformation in the countries furthest behind will not be possible without official development assistance, development cooperation and strategic partnerships in key sectors.

17. Efforts to leave no one behind could benefit from results-based frameworks that measure the outcomes of sustainable development policies and their impact across different groups. Such frameworks ensure that information critical for decision-making and course correction is fed into the development of policies and programmes. To be effective, measuring outcomes will need to look beyond averages by examining multidimensional measures of poverty and deprivation. Essential means for doing this include better disaggregated data, an improved knowledge base of the impact of multiple forms of discrimination on the rights of different groups, and appropriate responses through laws, policies, programmes and fostering change in social attitudes.

B. Embracing universality

18. One of the most transformative aspects of the 2030 Agenda is its universality, which spreads the responsibility for delivering results among all countries. This is faithful to the United Nations founding principle that countries should cooperate as equal partners in pursuit of development, peace and security and human rights.

19. States and non-State stakeholders alike will need to recognize the increasing interdependence of the actions they take on sustainable development and their impact. National policies will need to be tailored to overcome specific constraints and enhance synergies in each country's context. States should also minimize

unintended effects of policy choices on other countries and look to identify positive synergies within countries and regions as well as globally. For example, the use of fossil fuel subsidies amounted to $493 billion worldwide in 2014, more than four times the value of global subsidies to renewable energy, encouraging carbon-heavy energy development and contributing to climate change and environmental degradation.[2]

20. Developed countries have an important role to play in achieving the Sustainable Development Goals at the national level. They are equally committed to pursuing the Goals as all other countries and are expected to take the lead in some key areas of implementation, such as ensuring sustainable consumption and production patterns.

21. Developed countries will also need to enhance policy coherence for implementation. Some are well advanced in preparing for the implications of the 2030 Agenda on their domestic policies. Policy coherence will also require strengthened assurance that national and international policies do no harm to sustainable development progress. Working in collaboration with multilateral institutions, including the United Nations, developed countries can support the global partnership by ensuring that implementation efforts are targeted especially towards complex global and national challenges.

22. Policy coherence is also critical for taking advantage of synergies between the implementation of the 2030 Agenda at the national level and the commitments made under the Paris Agreement on climate change adopted at the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. These are strongly interconnected as actions to avert climate change are an integral part of efforts to achieve sustainable development. There is also an opportunity to take advantage of mutually reinforcing policies and investments in energy, transport, infrastructure and other productive sectors, including through climate change mitigation and adaptation, as well as disaster risk reduction, management and resilience building.

C. Promoting policy integration

23. In the 2030 Agenda, emphasis is placed on the cross-cutting and systemic nature of the challenges and opportunities involved in achieving a higher, more complex level of integration. Within the 2030 Agenda, integration is a basic principle for implementation. It lies at the heart of the concept of sustainable development, which posits that actions across different sectors can be mutually reinforcing rather than stand-alone or competitive in effect. In practice, however, policy integration does not always present straightforward choices for policymakers.

24. Climate change, for example, threatens ecosystems and the livelihoods that they provide, as well as the level and stability of food production from agriculture. This poses a major challenge to achieving the Sustainable Development Goals related to ending hunger and poverty, as poor people depend heavily on ecosystems and agriculture and stand to be severely affected by climate change. Those challenges need to be addressed simultaneously, requiring a focus on longer-term outcomes and well-coordinated action across multiple policy domains.

[2] International Energy Agency (2014) World Energy Outlook.

25. Arguably, mechanisms and methodologies for policy integration have not kept pace with current thinking on policy integration. This is true for all countries and is a particular challenge in developing countries with limited capacities. African countries performed well on mainstreaming the Millennium Development Goals into their development planning frameworks, but faced challenges in exploiting synergies across the those Goals and the related targets. This reflects in part the universal challenge of policy integration, but also the importance of technical capacity for analysing the interlinkages among development sectors.[3] At the same time, there are many countries making progress on policy integration in Africa and elsewhere by working on nexal approaches to issues such as water, energy and food.

26. Policy integration requires effective and accountable institutions, capable of adaptation and coordination across ministries and sectors. Countries from across the development spectrum will be, or have been, setting up new or reformed institutional mechanisms to support a more integrated approach to implementation. Everywhere, there is a need for actions to ensure that public institutions are responsive to the needs of citizens and are transparent, accountable and free of corruption.

27. Experience gained with the implementation of national sustainable development policies has demonstrated the benefits and efficiency gains that can be achieved when working in an integrated manner across sectors and through a development planning process. Policy integration can also ensure that cross-cutting issues that frequently do not have a clear institutional "home", such as gender equality and disaster risk resilience, are fully taken into account.

28. There are positive examples from countries that have used integrated approaches for sustainable development and corresponding institutional arrangements. There are various mechanisms and tools for facilitating policy integration for the implementation of the Sustainable Development Goals. For example, more than 100 countries created a national council on sustainable development after the Earth Summit held in 1992, and these could be strengthened and built upon for national coordination and integration of the three dimensions of sustainable development.

29. Good practices have also emerged from countries' early endeavours to align efforts made at the national level towards achieving the Sustainable Development Goals, such as the creation of interministerial and inter-agency groups or oversight mechanisms housed within the office of the president or of the prime minister. A common feature of these examples is a broad enabling environment within public institutions that encourage policy integration among implementing partners. This facilitates integrated planning, implementation and monitoring and allows for targets to be met, costs to be reduced and effectiveness to be increased.

III. Moving from commitments to results at the national level

30. The implementation of the 2030 Agenda and its follow-up and review will be country-based, complemented by regional and global actions. Countries will need to

[3] Economic Commission for Africa, African Union, African Development Bank and United Nations Development Programme, *MDG Report 2015: Lessons Learned in Implementing the MDGs* (2015).

review policies, plans and institutional arrangements to identify gaps between the Sustainable Development Goals and related targets and means of implementation available at the national level. Those gaps that are wider and more difficult to overcome should benefit from increased and more effective partnerships and development cooperation. Member States have also emphasized the indivisibility of the 2030 Agenda, with countries pursuing the Agenda comprehensively, rather than picking and choosing Goals and targets to achieve, while also bearing in mind their own specific needs and priorities.

31. Developing countries have a good start on implementation in the sense that many of them have well developed policies and practices in place for achieving sustainable development. In acknowledgement of the universality of the 2030 Agenda, some developed countries have begun reviewing strategies and adjusting their institutions. The national voluntary reviews of the 2016 high-level political forum on sustainable development, under the auspices of the Economic and Social Council, will provide an important opportunity for countries, developed and developing alike, to report on their integration of the Sustainable Development Goals into national strategies and share lessons from early implementation efforts.

A. Mapping policies and plans to the 2030 Agenda

32. Countries are currently developing national responses to implement the 2030 Agenda. To ensure coherence and avoid duplication or fragmentation, they are expected to build on existing development strategies and mainstream the Sustainable Development Goals into policies and programmes. A first useful step would be an assessment by countries of how well existing national and local development plans and sectoral strategies are aligned with the 2030 Agenda. This should be done with reference to both the content and ambition of the Goals, laying the foundation for adapting national actions, as needed, in ways that meet both national development priorities and the global commitments reflected in the 2030 Agenda. The mapping could also lead to the establishment of national baselines and gap analyses, which will be critical for ensuring an effective follow-up and review of progress with meeting the Goals at the national level.

33. This process of adaptation will allow countries to define how they approach the implementation of an integrated, indivisible development Agenda, while building on their own experiences and policy frameworks to integrate the principles and targets of the Sustainable Development Goals. The overall emphasis should be on building upon, adapting and strengthening existing frameworks. This will internalize the immense progress that has been made in many developing countries in pursuit of sustainable development.

34. There is also the possibility that the breadth of commitments made as part of the 2030 Agenda could entice countries to first pursue only those Sustainable Development Goals that are closest or easiest to reach. While that approach should not be discounted as part of a broader strategy for achieving all the Goals, it does expose countries to the risk that Goals-related actions could target population groups that are quick to respond to interventions, raising issues of equity. Special efforts will be needed in areas that would otherwise be bypassed for reasons that may include cost, complexity and other factors to ensure that the commensurate

resources, human, institutional, financial and other, are mobilized for achieving the Goals.

35. Given how priorities can differ at the national, subnational and local levels, it will be important for countries to continue to engage citizens and local communities to translate the commitments of the 2030 Agenda into national and subnational policy dialogues, legislation and budgetary decisions. Emphasis should be placed on communicating the Sustainable Development Goals and raising awareness of the universality of the 2030 Agenda to ensure full understanding and ownership among all actors. Taking a bottom-up approach to national implementation can help to translate the 2030 Agenda into local and national development plans and harmonize local development actions among public and private development partners. Such an approach could also take into account structural inequalities, cultural differences and other forms of local variation that could pose challenges to inclusive planning and implementation.

36. The engagement of local actors, including public officials, civil society, parliamentarians and citizens, throughout the policy cycle can ground implementation in people's reality. In this way, globally shared aspirations can guide well-informed policy and budget decisions as well as international development cooperation. Multi-stakeholder engagement will be much more effective when informed by the contribution of local academia and knowledge producers, as well as other stakeholders, such as local private sector actors and civil society organizations.

B. Localizing the Sustainable Development Goals and targets

37. The Sustainable Development Goal targets will also need to be "localized" within countries. The targets were formulated as global targets to be achieved through the combined effect of progress in all countries, but with sufficient flexibility to allow countries to adapt them to their own goals, benchmarks, indicators and targets on the basis of their unique national conditions. Each Government will also decide how those targets should be incorporated into national planning processes, policies and strategies as a critical step towards achieving the Goals.

38. National target-setting needs to be based on a sound understanding of the types of targets on sustainable development objectives that countries already have in place and of the extent to which they are aligned with global targets. Countries may need to find the appropriate balance between ambition and realism when setting their national targets. A feasible, effective framework for evaluating national progress on the 2030 Agenda is also very important for its success.

39. A global indicator framework for monitoring progress with achieving the Sustainable Development Goals has been devised through a country-led, open, inclusive and transparent process. The Statistical Commission of the United Nations agreed in March 2016 on a proposed framework of 230 indicators as a practical starting point, which could be refined as needed. Those indicators are intended for a global follow-up and review and, therefore, additional or, in some cases, different indicators may need to be developed for monitoring at the regional, national and subnational levels. Member States have agreed to treat the global, regional, national and subnational indicators as "living" frameworks, subject to technical refinements.

40. Although this framework is a promising driver of localization of the 2030 Agenda, Member States have acknowledged that its implementation would require significant efforts to strengthen national statistical capacities for data production, analysis and dissemination in many countries. Those efforts will also require significant investments to develop, facilitate and maintain the necessary improvements and innovations of national statistical systems.

C. Creating an enabling environment

41. Commitments arising from multilateral agreements can sometimes be perceived as reducing autonomy in the national policymaking sphere. In acknowledgement of this, the 2030 Agenda explicitly recognizes the need for the individual policy space of countries for ensuring implementation. The 2030 Agenda should serve as an important overarching framework for national efforts towards poverty eradication and sustainable development.

42. Given the interrelated nature of the Sustainable Development Goals and the inextricable links among the three dimensions of sustainable development, countries will need the policy space to assess challenges and evaluate trade-offs and synergies in the context of their own priorities. Policy prioritization should be delinked as much as possible from donor priorities, in keeping with the principle of national ownership of Goal implementation.

43. Macroeconomic stability and increased domestic economic resilience are critical for making progress on the Sustainable Development Goals. In setting monetary and fiscal policies, all countries will need to find an appropriate balance between flexibility and the rules governing actions in those spheres. Developing countries will need to create and strengthen capacities for assessing the synergies and trade-offs in the range of fiscal policies and tools and exploring options to improve the composition and effectiveness of public spending and investment for achieving the Goals. Such policies and tools could include the strengthening of fiscal institutions, an increase in efficiencies, where possible, the pursuit of appropriate tax policies, a review of subsidy policies and an assessment of borrowing needs.

44. An effective enabling environment for sustainable development should also be facilitated through good governance and the rule of law. Good governance at any level is responsive and accountable and engages people in the processes of priority setting, policymaking, implementation, follow-up and review. By including people in those processes, Governments can ensure that needs have been accurately identified and solutions for addressing them are forged. Enabling such a process requires access to information and mechanisms for people to engage with their Governments, public institutions and multi-stakeholder partnerships in fair and inclusive ways.

45. Transparent governance requires accountability, which necessitates effective oversight. Having an appropriate institutional framework for public audit activities can ensure that inputs, such as public expenditure, contribute to desired outputs in line with the Sustainable Development Goals. Therefore, supreme audit institutions will continue to be important actors in tracking progress and ensuring the efficient use of resources across all levels of government. In addition, broad-based participatory monitoring and accountability have been identified as important tools

for implementing the 2030 Agenda. Mechanisms for ensuring participatory monitoring and accountability need to be more than mere platforms for discussion; they should also promote mutual learning and mobilization for accelerated action.

46. Making sure that all citizens, including those who are often marginalized, are included in all aspects of development fulfils their human rights to participation and inclusion. Enabling such participation can give a sense of hope and purpose and mobilize effective action. A number of innovative approaches have shown success at the national level, including the use by Zambia of "M-WASH", a mobile and web-based monitoring, evaluation and reporting system that reaches 1.7 million people and focuses on water and sanitation services, and the use by Thailand of the iMonitor application, which tracks and evaluates the delivery of HIV services and reports discrimination against HIV-positive people in the workplace.

2016 online discussion on moving from commitments to results

A global online discussion on the main theme of the 2016 session of the Council was co-organized by the Department of Economic and Social Affairs of the United Nations and the United Nations Development Programme from 29 February to 25 March 2016. The discussion engaged over 6,600 experts from civil society, the private sector, academia and the United Nations system, representing 177 countries, on their ideas and recommendations for the implementation of the Sustainable Development Goals. A full summary of the discussion will be released as a conference room paper for the high-level segment of the Economic and Social Council in July 2016. Some key highlights from the discussion included:

- **Scope and implications**. Many contributors highlighted the challenge of taking a holistic, integrated approach for implementing the Millennium Development Goals, noting that the demand for integration will be even greater under the 2030 Agenda. To this end, developing countries would benefit from policy coherence and support from partners as they try to balance existing national priorities and capacities with the demands of the Sustainable Development Goals and a growing diversity of development actors and initiatives. One of the specific areas identified for improvement was the need for a better integration of development planning and budgeting. It was proposed that the United Nations development system help to build the capacities of countries to adopt and strengthen integrated approaches to development management, covering all stages of the policy cycle.
- **National implementation**. Contributors acknowledged that the Sustainable Development Goals needed to be localized and translated into results at the local level, which begins by assessing the degree of alignment of existing national policies and programmes with the 2030 Agenda. Participants also noted that, to achieve the Sustainable Development Goals, there must be a scaling up of partnerships in support of country-led plans, including with local partners that often serve as an important link to groups that might be difficult for Governments to reach.

Multi-stakeholder engagement was recognized as imperative, with many discussants calling for a greater engagement of women and youth. Respect for cultural norms and values and tapping into diverse sources of indigenous and local knowledge were also pointed out as solutions to development challenges. The United Nations should pursue a strong agenda of policy advocacy and follow a mutually accountable process, while respecting national ownership.

- **Follow-up and review**. As further support for inclusive and equitable development, contributors emphasized the importance of participatory approaches in tracking progress that involved citizens and stakeholders, including through contributing to the evidence base with appropriate and relevant data. It will be important that data should be open and accessible to all users in order to review trends and challenges to the achievement of the 2030 Agenda. One contributor provided an interesting example of a mobile messaging service for collecting feedback and data from citizens. Responses provided by citizens through that service were analysed in real time and mapped at a district or state level, with data used to inform programmes, policy and strategic decision-making.

D. Evidence-based decision-making and tracking progress

47. In order to deliver results on the Sustainable Development Goals effectively, countries will need to apply evidence-based decision-making, track progress and adjust course as needed. This approach will benefit from the incorporation of evaluation methodologies into all stages of development planning, implementation and the review and development of appropriate data sets.

48. The Millennium Development Goals helped to influence discussions on global development by orienting national and multilateral efforts towards outcomes and results that could be measured by States and the international community. They focused attention on outcomes in a range of key development sectors (poverty, health, education and gender equality) and, as a result, budgets and other resources could be mobilized and evaluated to assess progress. This contributed to strengthening the evidence-based approach to sustainable development policy formulation and provided guidance for how normative commitments could be translated into actionable solutions.

49. Monitoring and evaluating progress towards achieving the Goals and targets on the basis of data and statistical analysis on a periodic basis will help to ensure a systematic approach to determining the relevance, efficiency and effectiveness of policies and programmes. Yet determining causality as part of an impact assessment is not always straightforward. Policy processes are generally complex and context-specific, making attribution difficult. Innovative practices will be needed in evaluating progress across the range of the Sustainable Development Goals, as will sufficient investment in building the capacities to do so at the national level. Additional research and cooperation to develop innovative monitoring and

evaluation methods could focus on issues, such as marine pollution, that have already been identified by Member States as difficult to track and assess.

50. Careful consideration of initial conditions and constraints will be important in determining what interventions and strategies can produce the best outcomes possible. Differentiated approaches to supporting and evaluating progress are therefore imperative. For countries close to achieving specific targets, it may be useful to focus on persistent gaps in resources or capacities that may limit full achievement. For those countries and regions that are furthest from the target, taking a broad-based approach to implementing and monitoring the pace of progress relative to their baselines will be a useful measure of performance. The policy cycle must constantly adjust to incorporate new information from monitoring and assessment exercises and to avoid repeating the same mistakes.

IV. Delivering results through a revitalized global partnership

51. Although national Governments have the primary responsibility for meeting the commitments made under the 2030 Agenda, all actors have important roles to play in their achievement. Achieving results will require a revitalized Global Partnership for Sustainable Development.

52. One perceived shortcoming of the Millennium Development Goals was the absence of strategies or pathways for implementation, including the type and level of resources needed for supporting their achievement. The 2030 Agenda has internalized this lesson, as reflected in Sustainable Development Goal 17 on revitalizing the Global Partnership for Sustainable Development and the targets on the means of implementation under each Sustainable Development Goal. A critical step to unlocking these resources is ensuring that all partners understand that investment in support of sustainable development objectives is a win-win proposition for all. The Addis Ababa Action Agenda is an integral part of the 2030 Agenda and provides concrete policies and actions to support its implementation.

53. To achieve the Sustainable Development Goals, substantial investment will be required in both developing and developed countries. This agenda requires the mobilization of significant resources, estimated to be in the trillions of dollars. However, many of those resources already exist and need to be mobilized from domestic and international sources, as well as from the public and private sectors.

54. Long-term investment, including foreign direct investment, is needed in critical sectors, such as sustainable energy, infrastructure, transport and information and communications technology. This is especially true in developing countries. Reforms in foreign direct investment policies could be encouraged through the creation of new agreements on the basis of investment principles that foster sustainable development.

55. Intellectual property rights systems are intrinsically linked to the 2030 Agenda because of the contribution that they make to a country's innovative sectors and the investment that they generate in research and development. A balanced and effective intellectual property system is a key element of an enabling environment to support technology adoption and innovation for sustainable development. In this realm, the flexibilities that are part of the intellectual property system are an important tool to be considered by States, for example in the public health sector.

56. Official development assistance will be necessary to help countries most in need to achieve sustainable development. Efforts will be needed to ensure that such assistance is delivered in the relevant form and to sectors most appropriate for public, concessional finance. Given the potential of official development assistance to benefit the poorest, special attention should be given to new challenges that could exacerbate the need for external financing of least developed countries.

57. The Addis Ababa Action Agenda also broadens the discussion of resources available through international public finance. In particular, it emphasized the growing need for more effective international tax cooperation as part of efforts to mobilize resource. Tax evasion and avoidance have increasingly been shown to divert significant domestic resources from sustainable development objectives. For example, UNCTAD estimates that $100 billion of annual tax revenues are lost by developing countries as the result of tax avoidance by multinational enterprises.[4]

58. While financing needs for sustainable development are great, the means of implementation go far beyond financial resources. The Global Partnership should use trade, investment, technology, finance and other enablers to contribute towards national efforts on sustainable development. This includes important means of implementation, such as extensive capacity-building in developing countries, fairer trade practices and the transfer of environmentally sound technologies and knowledge to developing countries, including on concessional and preferential terms, as mutually agreed. While the growing number of bilateral, regional and interregional trade agreements occurring outside the multilateral trade system addresses social and development issues to varying degrees, more concerted efforts should be made to ensure that those are aligned with the 2030 Agenda and the Paris Agreement.

59. Many multilateral actors and development cooperation partners are already active in supporting the means of implementation. In the new context, multi-stakeholder partnerships will play a key role in strengthening these and other sustainable development efforts. These partnerships should be inclusive and need to be built upon principles and values, a shared vision and common objectives that place people and the planet at the centre. They should be results-based and capable of supporting integrated approaches to sustainable development in all policy areas. All partners, including new, relevant actors, should be encouraged to gear their assistance towards supporting national efforts to achieve the Sustainable Development Goals.

60. The importance of regional and interregional partnerships has been recognized. In particular, linking country, regional and global programmes offers a suitable platform to confront global and transboundary challenges. The regional dimension in the implementation of the 2030 Agenda is pivotal as it can provide important feedback loops and bridges between processes and initiatives at the global, regional and national levels. This will be highly relevant to informing the design of sustainable development strategies, monitoring and reviewing progress and sharing best practices.

[4] *World Investment Report 2015* (United Nations publications, Sales No. E.15.II.D.5).

V. Support from the United Nations development system

61. The United Nations has a special responsibility to support countries in implementing the 2030 Agenda and moving from commitments to results. The Organization can most effectively fulfil this role by linking the normative, standard-setting and operational dimensions of its work across the entire system and through assistance to Member States to build capacities and improve data collection and analysis. To do this effectively, the Sustainable Development Goals will need to be embraced across the three pillars of work of the United Nations, namely peace and security, human rights and development.

62. The implementation of the Sustainable Development Goals will challenge the United Nations development system to adapt to the current mindset regarding sustainable development and embrace the fundamental principles of the 2030 Agenda in its ways of working. Results must remain the driving force for United Nations support for national Governments. The universal, integrated and indivisible nature of the Goals create new demands, addressing the interconnections among national, regional and global development challenges, as well as peace and security and human rights. These will have major implications for how the United Nations development system works, from country-level programmatic focus to ways of doing business across entities.

A. Improving coordination, coherence and complementarity

63. The comprehensiveness and complexity of the 2030 Agenda calls upon the United Nations development system to provide integrated support. No single agency, acting alone, can fully support the achievement of the Sustainable Development Goals. Rather, collaboration will be required across United Nations entities and with other development partners to provide coherent, integrated support. The United Nations development system has produced a number of good practices for enhanced coordination, especially through the "Delivering as one" initiative.

64. The United Nations development system needs to improve the way its respective entities work together. This would include improving the coherence of their strategic plans and results frameworks and results-based management and reporting to enable a better measurement of the results of the system as a whole. In support of greater coherence, Member States requested an Economic and Social Council dialogue on the longer-term positioning of the United Nations development system to feed into the preparations for the next resolution on the quadrennial comprehensive policy review (2016-2019), with a view to ensuring a United Nations development system that is fit to deliver on the ambitions of the 2030 Agenda. Phase I of the dialogue was completed in the third quarter of 2015, and phase II is ongoing and will be completed by the third quarter of 2016. Through the dialogue and other vehicles, Member States are making clear their expectations for the United Nations development system in terms of functions, funding, governance, organizational arrangements, capacity, impact and partnerships.

65. In a survey of Member States conducted for the report for 2016 on the quadrennial comprehensive policy review, respondents from programme country Governments were clear in their expectation that the United Nations development system would give higher priority to strengthening national capacities, in particular

in the area of monitoring, review and evaluation. Member States also proposed additional priorities at the national level that the United Nations development system could collectively respond to, including better coordination among the Organization's entities, closer coordination with Governments and other local stakeholders, and strengthened results-based management.

66. Countries are already requesting assistance from the United Nations and other development partners to support national processes to determine priorities, policies and programmes vis-à-vis the 2030 Agenda. The nature of the support coordinated by the United Nations needs to evolve. This could lead to less emphasis on projects and more attention paid to specialized policy advice, institutional capacity development and promoting adherence to international standards and more effective methods of monitoring of progress. Direct programme support may remain important for the least developed countries.

67. Support for policy integration, data-related issues and capacity development are emerging as key domains for better coordinated United Nations support at the country level, requiring the relevant combination of knowledge and expertise within United Nations country teams. Stronger partnerships across the United Nations and beyond would also be needed to translate integrated policies into effective programmes, data collection and analysis, and follow-up and review efforts.

68. The capacity of Governments to generate and use data effectively, including disaggregated data, for planning and policymaking needs to be further developed. The Statistics Division of the Department of Economic and Social Affairs, working closely with the regional commissions of the United Nations, the United Nations agencies and other partners, can provide direct and targeted support for Member States to strengthen statistical and monitoring capacities.

69. During the transition to implementation, United Nations system support for Member States must continue at the same time that new ways of working are being adopted. United Nations entities are adapting to the new environment, with many of them integrating the 2030 Agenda into organizational strategies and action plans. At the system-wide level, the United Nations Development Group has developed a mainstreaming, acceleration and policy support strategy for the 2030 Agenda. The strategy is an interim tool targeted at United Nations country teams and development partners, providing guidance for the mobilization of knowledge and expertise to assist countries in the early phase of the implementation of the Sustainable Development Goals. At the same time, the Development Operations Coordination Office of the United Nations is facilitating the revision of the United Nations Development Assistance Framework guidance and tool kit in order to better align common United Nations work with the new Goals framework.

70. These efforts can be supported by multi-stakeholder partnerships involving a wide array of relevant actors. The elaboration of the 2030 Agenda was informed, in part, by numerous partnerships initiated by the United Nations in cross-cutting areas, such as UN-Water, UN-Energy and UN-Oceans, among others. These partnerships contributed significantly to the innovation and consensus that led to the adoption of the Sustainable Development Goals, and they will continue to be effective tools for partnerships enabled by the United Nations system during implementation.

B. Reinforcing universality by delivering results in diverse national contexts

71. One of the biggest shifts from the Millennium Development Goals to the Sustainable Development Goals is from an agenda focused on the poorest countries to one that sets goals and targets for all countries. While this is to be welcomed as part of the renewed, genuinely global effort to eradicate poverty and achieve sustainable development, it also poses new questions to the United Nations system and its role in supporting policy change, partnerships and the setting of norms and standards in developed countries.

72. Whatever the country conditions, the United Nations development system is being called upon to understand and work in different national contexts to a greater extent than before. Policy support and activities must be firmly grounded in international norms and standards, including on human rights, which apply to all nations, regardless of development status. Traditional country classifications may no longer hold much value in the context of such a universal and integrated agenda that recognizes that each country faces its own mix of resource constraints and development vulnerabilities.

73. Although the Sustainable Development Goals and targets are for all countries, demands at the national level will determine the engagement and collaboration of the United Nations system in support of implementation. As a result, the United Nations development system will need to elaborate differentiated and yet harmonized models of country presence for implementing the Goals in order to meet the needs of programme countries at different levels of development effectively. All countries, however, will be expected to monitor progress towards implementation and join in the global follow-up and review.

74. The United Nations system will also need to focus its attention on strengthening the sustainable development-humanitarian nexus. These areas will need to be better integrated in response to the universal 2030 Agenda aimed at leaving no one behind, including those affected by conflict and complex humanitarian emergencies. Such emergencies can rapidly reverse development gains as the result of sudden, systemic shocks, or because of the cumulative effects of stressors, such as pervasive poverty, environmental degradation, resource scarcity, climate change and gender inequality. Humanitarian and development operations should be more closely linked to maximize synergies across their respective efforts and to reflect more adequately the paradigm shift towards sustainability.

VI. Economic and Social Council system support for implementation

75. Assessing the level of attainment of the Sustainable Development Goals is critical for their achievement, and the United Nations intergovernmental system, through the agreed architecture for follow-up and review, will be responsible for this at the global level. In particular, the Economic and Social Council has an important role to play in coordination, policy review, dialogue and the identification of effective measures of progress for follow-up and review. Such actions can catalyse sustainable development through sharing knowledge and experiences on implementation and supporting resource mobilization efforts.

76. The Economic and Social Council system will use new and existing tools to ensure a robust follow-up and review, and the high-level political forum, held annually under the auspices of the Council and quadrennially under the auspices of the General Assembly, will serve as a central platform. The forum will oversee a network of follow-up and review processes at the global level, in accordance with existing mandates. It will facilitate the sharing of knowledge and experiences and provide political leadership, guidance and recommendations for follow-up. It will also bring together relevant stakeholders, conduct thematic reviews of progress and advance policy coherence at all levels.

77. In accordance with the 2030 Agenda, the functional commissions of the Council as well as other intergovernmental bodies and forums will support the thematic reviews of progress with regard to the Sustainable Development Goals, including cross-cutting issues, which will take place at the high-level political forum, with a view to reflecting the integrated and interlinked nature of the Goals. The Council's subsidiary bodies and other intergovernmental bodies and forums will need to reflect on how the 2030 Agenda affects their respective mandates and areas of work, assess options for ensuring that their respective agendas and working methods can generate voluntary inputs to the forum, as needed, and ensure the necessary engagement with key stakeholders in the 2030 Agenda (see A/70/684). In addition, the Global Sustainable Development Report and the Sustainable Development Goal progress report will also inform global follow-up and review.

78. The Economic and Social Council forum on financing for development follow-up aims to review annual progress with regard to implementing the financing for development outcomes and the means of implementation of the 2030 Agenda, and to promote international coordination for taking any needed corrective action. The inaugural session of the forum, held from 18 to 20 April 2016, was informed by the first edition of the report of the Inter-agency Task Force on Financing for Development. In that report, the Task Force mapped out the commitments and action areas contained in the Addis Ababa Action Agenda and described how the implementation would be monitored going forward. In presenting its framework for monitoring, the Task Force focused on the seven action areas of the Addis Ababa Action Agenda and highlighted specifically the data needed to support the monitoring framework.

79. Follow-up and review are vital for tracking progress, learning from implementation successes and failures and adjusting national implementation strategies and objectives. This could help to drive progress, and not just measure it. Open dialogue led by States and held in conjunction with other partners will help to build more sustainable solutions and ensure that the level of ambition for achieving the Sustainable Development Goals remains high. At the same time, as part of this initial period of implementation, stakeholders should be realistic and constructive in how they engage with follow-up and review processes so early into the implementation period, when baselines are still being established.

80. With the wide perspective that it offers as a system of functional and regional commissions and expert bodies, the Council is well positioned to play a leading role in the integrated approach to the implementation, follow-up and review of the Sustainable Development Goals. Greater coherence and coordination among different Council entities will need to be strengthened. The Council could build on its work for setting norms and standards by expanding its knowledge base through

targeted work on universality, policy integration and leaving no one behind, as well as on new and emerging issues of relevance for the implementation of the 2030 Agenda. As one example, countries will be striving to leverage intersectoral synergies in the implementation of the Goals. This could be informed through relevant, high-quality studies and analyses undertaken by the Council system that identify Goal interlinkages and measures for maximizing positive synergies.

VII. Conclusions and recommendations

A. Implications of a transformative 2030 Agenda

81. Successful implementation of the 2030 Agenda will require addressing the unfinished business of the Millennium Development Goals and achieving the twin objectives of poverty eradication and sustainable development. Efforts need to be built on the spirit of international and intergenerational solidarity.

82. Sustained, strong leadership and political will are required to build the momentum for action. Implementation plans should be designed at all levels, with critical milestones identified and citizens and partners from the whole of Government and society engaged.

83. Policy integration and policy coherence are important means for achieving the 2030 Agenda and should be pursued in recognition of growing interdependence across national borders and thematic sectors.

84. Existing structures and mechanisms should be built upon for global, regional and national coordination, adapting them to the needs of the 2030 Agenda.

85. In the 2030 Agenda, it is recognized that all countries are challenged by sustainability, inequality, vulnerability and poverty eradication, and therefore all Governments will need to decide how to incorporate the Sustainable Development Goals into national planning processes and policies, as well as development cooperation strategies.

B. National implementation

86. Countries will need to build on the momentum of their achievements in the context of the Millennium Development Goals, as well as existing sustainable development strategies and coordination mechanisms, and develop actionable and ambitious national responses to the Sustainable Development Goals. They should pursue implementation by strengthening planning and financing instruments and tools and by leveraging multi-stakeholder partnerships.

87. Ensuring sufficient policy space will be essential to implementing the 2030 Agenda, on the basis of development models, policy approaches and forms of development cooperation in line with national circumstances, while remaining consistent with international rules and commitments.

88. Countries need to use multidimensional measures of poverty and deprivation, as well as increase their use of disaggregated data for development outcomes, to address fundamental structural inequalities.

89. Effective, accountable and inclusive institutions that are transparent and free of corruption are essential for facilitating the achievement of all Sustainable Development Goals.

90. An enabling environment for sustainable development can be achieved through good, transparent governance at the national and global levels, as well as countries taking into account potential policy impacts beyond their borders.

C. Global partnership and means of implementation

91. A revitalized Global Partnership for Sustainable Development and multi-stakeholder partnerships that involve new, relevant actors are key contributors to the 2030 Agenda.

92. Effective multi-stakeholder partnerships will be propelled by well-defined roles, duties and standards to ensure transparency and accountability.

93. The Sustainable Development Goals require a shift to thinking about all means of implementation to eradicate poverty and achieve sustainable development. While financing needs are great and new and existing resources need to be unlocked in support of the 2030 Agenda, technology, capacity-building and trade need to be better directed towards sustainable development.

94. There is no substitute for meeting the existing commitments on official development assistance and for the broader Global Partnership for Sustainable Development. Official development assistance will continue to be particularly critical in countries in special situations.

D. United Nations development system

95. The United Nations development system will need to ensure coherent and integrated support for implementation at all levels by adapting to new ways of working and delivering and improving system-wide funding, strategic planning, implementation and reporting.

96. The United Nations will need to work in diverse contexts and be more effectively engaged in countries in special situations, where resource and capacity gaps are greatest.

97. The support provided by the United Nations development system to Governments for policy integration, data-related issues and capacity development is emerging as a key priority.

98. The United Nations development system should assist in the strengthening of capacity of national statistical systems to ensure access to and the utilization of high-quality, timely, reliable and disaggregated data.

99. The United Nations development system should focus efforts on strengthening the sustainable development-humanitarian nexus to leave no one behind.

E. Economic and Social Council system

100. The Economic and Social Council will play an important role in coordination, policy review and dialogue. The Council should provide effective measures for follow-up and review through the high-level political forum, its forum on financing for development follow-up and its system's segments, functional commissions and forums.

101. The Council system should further integrate the work of the functional commissions and other subsidiary bodies in the implementation, follow-up and review of the Sustainable Development Goals.

102. The Council system should contribute analyses and policy recommendations on new and emerging issues and on universality, policy integration and leaving no one behind.

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Trends and progress in international development cooperation

Report of the Secretary-General

Summary

In accordance with General Assembly resolutions 61/16 and 68/1, the present report is submitted by the Secretary-General for consideration by the Development Cooperation Forum, in advance of its fifth biennial high-level meeting in New York on 21 and 22 July 2016, building on a two-year preparatory process. Section I is an introduction to the report and its conceptual framing of development cooperation, encompassing financial resources, capacity-building, technology development and transfer, policy change and multi-stakeholder partnerships. From the perspective of the 2030 Agenda for Sustainable Development, section II covers recent trends in development cooperation flows; special attention is paid to improving the targeting and allocation of official development assistance (ODA); aligning cooperation and the rapid evolution of South-South cooperation. Section III discusses the adjustments needed for development cooperation in the context of the Sustainable Development Goals and what effective development cooperation means in implementing the Goals. Section IV addresses the distinctive and mutually reinforcing roles of the different layers — local, national, regional and global — of monitoring, review and accountability of development commitments under the 2030 Agenda. Section V highlights key recommendations and conclusions.

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I. Introduction

1. The Development Cooperation Forum provides a global space for inclusive and evidence-based policy dialogue on development cooperation. It focuses on knowledge-sharing and mutual learning for better sustainable development results and facilitates coherence in development policy and across diverse actors and activities.[1] The Forum brings together decision makers and experts from developing and developed countries, parliamentarians, civil society organizations, international organizations, local authorities, philanthropic organizations and the private sector. It is open to all Member States and is a core function of the Economic and Social Council, which has a major role at the global level in the follow-up to and review of the 2030 Agenda for Sustainable Development[2] and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.[3]

2. The present report builds on the two-year preparatory process for the 2016 high-level meeting of the Development Cooperation Forum, to be held on 21 and 22 July 2016, combining analytical work with stakeholder engagement and high-level preparatory symposiums held in the Republic of Korea (8-10 April 2015), Uganda (4-6 November 2015) and Belgium (6-8 April 2016).[4] The aim of the 2014-2016 Forum cycle was: (a) to explore how development cooperation can respond to needs and challenges in developing countries, with emphasis on countries in special situations; (b) to examine challenges and opportunities related to the increasingly complex landscape of development cooperation, including the evolving role of official development assistance (ODA) and the need to align actors and all available means of implementation to the 2030 Agenda; (c) to advance policy dialogue among Southern partners in development cooperation; and (d) to provide further guidance on monitoring, review and accountability for development cooperation commitments at all levels.

3. The overarching theme to emerge from the preparatory process is the importance and the tremendous potential of development cooperation, broadly defined, as a lever for effective implementation of the 2030 Agenda.

II. Recent trends

4. The 2030 Agenda, together with the Addis Ababa Action Agenda, the Paris Agreement under the United Nations Framework Convention on Climate Change[5] and the Sendai Framework for Disaster Risk Reduction 2015-2030, provides a comprehensive framework for development cooperation. A scoping exercise at the

[1] The General Assembly, in its resolution 61/16, established the Development Cooperation Forum.

[2] General Assembly resolution 70/1.

[3] General Assembly resolution 69/313.

[4] Research for the present report was carried out through the series of 2016 Development Cooperation Forum Policy Briefs, available from www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/dcf/policy-brief-dcf-2016.pdf. The report also draws on independent research and analysis undertaken by development initiatives (see briefs Nos. 2, 13 and 15). Symposium summaries are available as follows: Republic of Korea: www.un.org/en/ecosoc/newfunct/pdf15/dcfrok_summary.pdf. Uganda: www.un.org/en/ecosoc/newfunct/pdf15/ dcfuganda_official_summary.pdf. Belgium: www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/dcf/dcfbelgium-hls-summary.pdf.

[5] FCCC/CP/2015/10/Add.1, decision 1/CP.21, annex.

outset of the 2014-2016 Development Cooperation Forum cycle produced a working definition of development cooperation as an activity that aims explicitly to support national or international development priorities, is not mainly driven by profit, discriminates in favour of developing countries and is based on cooperative relationships that seek to enhance developing country ownership. The definition serves not for measurement but as a conceptual framework to help set the parameters for discussing the purposes, characteristics and types of development cooperation in the context of the Sustainable Development Goals.[6]

5. From this vantage point, development cooperation entails a broad area of international action featuring several modalities: financial resources, capacity-building, technology development and transfer, policy change (e.g., to ensure coherence of domestic policies and help to address global systemic issues) and multi-stakeholder partnerships.[7] All these elements will be vital, given the enormous scale and scope of support needed to implement the 2030 Agenda. While much emphasis is appropriately put on the unprecedented amount of financial resources needed,[8] the Sustainable Development Goals further highlight the importance of non-financial forms of development cooperation. The present section of the report looks at recent trends in financial resources for development cooperation, improving the targeting of ODA and aligning cooperation and trends and developments in South-South cooperation.

A. Trends in development cooperation flows

6. Official development assistance (ODA) remains a unique and important driver of development cooperation. It is available to countries that have limited access to international capital markets. ODA is the only form of international public finance that is explicitly targeted at promoting the development and welfare of developing countries,[9] which sets it apart from other forms of international public finance that may be motivated by other factors, such as the export performance of the providing country.[10]

7. While development cooperation offers multiple levers to drive and support implementation, there is no substitute for delivering on existing commitments to the least developed countries and to the global partnership for sustainable development.[11] In order for development partners to meet or exceed global ODA targets, including for the least developed countries, a recent policy brief[12] highlights the importance of the support of domestic taxpayers and constituencies, leadership that is committed

[6] José Antonio Alonso and Jonathan Glennie, 2016 Development Cooperation Forum Policy Brief No. 1, "What is development cooperation?". In the present report the definition is modified to include activities that are not mainly driven by profit.

[7] See the inaugural report of the Inter-Agency Task Force on Financing for Development, "Addis Ababa Action Agenda: Monitoring commitments and actions" (2016), chaps. II.C and II.G.

[8] See the report of the Intergovernmental Committee of Experts on Sustainable Development Financing, available from www.un.org/esa/ffd/documents/ICESDF.pdf.

[9] For a definition of official development assistance (ODA), see www.oecd.org/dac/stats/officialdevelopmentassistancedefinitionandcoverage.htm.

[10] See Tim Strawson and others, Development Cooperation Forum Policy Brief No. 2, "Improving ODA allocation for a post-2015 world" (2016).

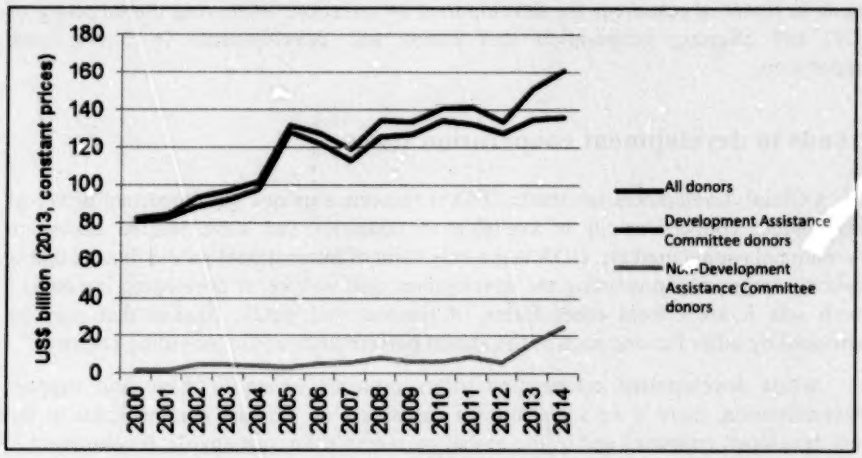
[11] General Assembly resolution 69/313, paras. 10, 51 and 52; and resolution 70/1, paras. 60-71.

[12] Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 12, "A revitalized global partnership for sustainable development and adjusting development cooperation for implementing the SDGs".

to sustainable development and the institutionalization of the positioning of development cooperation in national processes.[13]

8. Since 2000, net ODA has increased by 83 per cent in real terms,[14] while ODA from members of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD), in recent years, has tended to remain stagnant (see figure I).[15] ODA for non-emergency situations fell in 2014, owing to increasing humanitarian aid and in-donor refugee costs triggered by conflicts and other emergency situations (see figure II). While partial data for 2015 shows ODA for non-emergency situations remaining stable, the potential effect of increasing in-donor refugee costs on ODA available for sustainable development will need to be monitored closely.[16] Ensuring greater linkages between development cooperation and humanitarian aid and promoting systemic investment in resilience-building would begin to move international support into a new and more harmonious alignment.[17]

Figure I
Trends in net ODA, 2000-2014



Source: Development Initiatives, based on Development Assistance Committee data.

[13] For example, the legislative reform in the United Kingdom of Great Britain and Northern Ireland to secure national commitment to meet the ODA target. See www.gov.uk/government/news/international-development-official-development-assistance-target-bill-2015-receives-royal-assent.

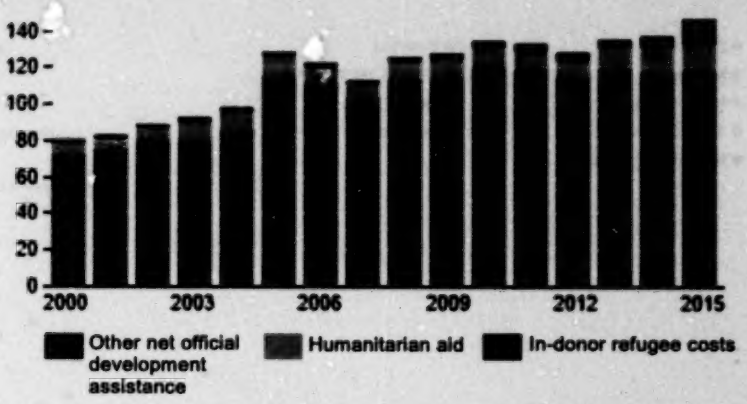
[14] See www.oecd.org/dac/stats/ODA-2015-detailed-summary.pdf.

[15] The following development partners are not members of the Development Assistance Committee: Bulgaria, Croatia, Cyprus, Estonia, Hungary, Israel, Kazakhstan, Kuwait, Latvia, Liechtenstein, Lithuania, Malta, Romania, Russian Federation, Saudi Arabia, Taiwan, Province of China, Thailand, Turkey and United Arab Emirates. The majority of these countries began reporting in 2000.

[16] See the statement by the spokesman for the Secretary-General on proposed reductions in development aid, 11 November 2015.

[17] See also the report of the High-Level Panel on Humanitarian Financing to the Secretary-General, "Too important to fail — addressing the humanitarian financing gap" (January 2016), issued in advance of the World Humanitarian Summit, held in Istanbul, Turkey, on 23 and 24 May 2016.

Figure II
Increasing the share of emergency assistance in official development assistance, 2000-2015



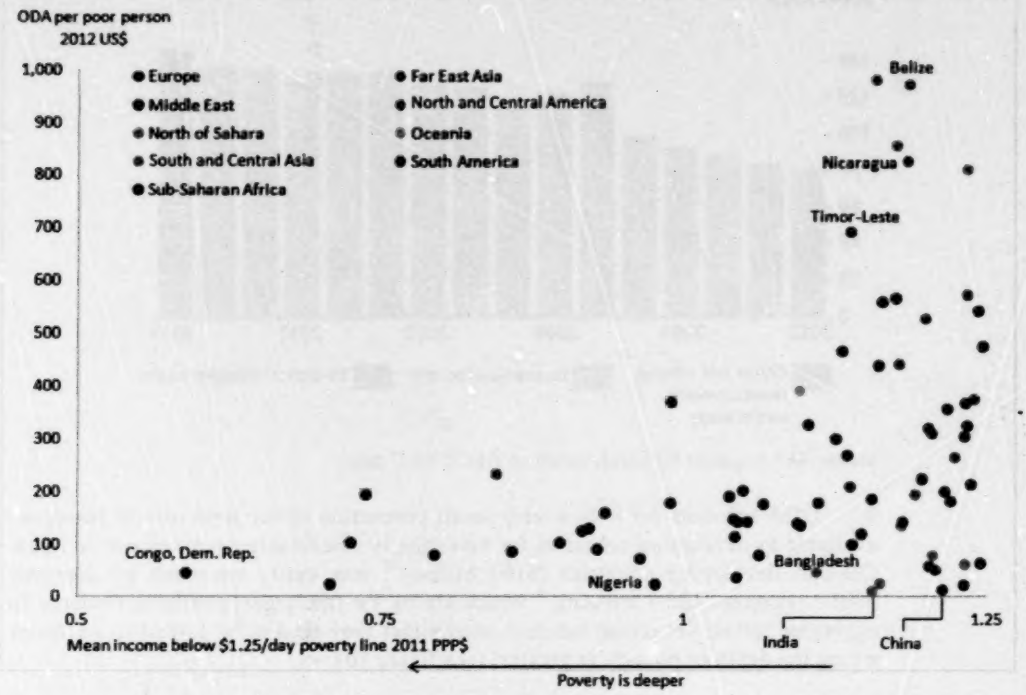
Source: Development Initiatives based on OECD DAC data.

9. ODA accounts for only a very small proportion of the total mix of resources available to developing countries for investing in sustainable development. In 2014, ODA to developing countries ($160 billion)[18] was vastly exceeded by domestic public resources ($5.3 trillion),[19] which are by far the largest available resource in aggregate terms; yet recent research shows that they tend to be lowest in countries where the depth of poverty is greatest (see figure III).

[18] Development initiatives based on the Creditor Reporting System of the Development Assistance Committee.

[19] Defined as total non-grant revenue collected by the Governments of developing countries.

Figure III
ODA per person is higher where the depth of poverty is lower



Source: Development Initiatives, report, "Investments to End Poverty 2015".

10. No official estimates are available for activities by private entities (e.g., philanthropic foundations, corporate philanthropy) that aim primarily to support national or international development rather than making a profit and involve a transfer of resources to developing countries.[20] This is part of a broader trend whereby some private sector actors are adapting their business models to be more in line with sustainable development objectives. A conservative estimate for such private development cooperation flows in 2011 arrives at $45 billion,[21] equivalent to one third of all ODA provided by members of the Development Assistance Committee for the same year.

[20] See Matthew Martin, 2016 Development Cooperation Forum Policy Brief No. 7, "Private and blended development cooperation: assessing their effectiveness and impact for achieving the SDGs". On the relevant provisions of the Addis Ababa Action Agenda, see also the report of the Inter-Agency Task Force on Financing for Development (see footnote 7), in particular pp. 54, 55, 67 and 68.

[21] Development Initiatives, report, "Investments to End Poverty 2015".

11. The amount of ODA blended with flows from private entities is smaller yet significant, with some estimates at $20 billion or more.[22] There is insufficient evidence as to whether "blending" mobilizes additional private flows, supports national sustainable development priorities or increases sustainable development impact.[23]

12. According to the latest OECD statistics,[24] bilateral ODA to the least developed countries stood at $25 billion in 2015, increasing by 4 per cent from 2014, after several years of a downward trend. The same source indicates that country programmable aid to the least developed countries and other low-income countries increased by 3 per cent, to $39.8 billion in 2015, compared to 2014, while projecting declining country programmable aid levels for some of the least developed countries between 2016 and 2019.

13. ODA to small island developing States has fallen since 2010 and stood at over $4 billion in 2014, calling for special attention and close monitoring, given their structural vulnerabilities.[25] ODA to countries affected by conflict or fragility, for which there is no internationally-recognized target, has also remained relatively stagnant over recent years, holding at around $50 billion in real terms each year since 2006.[26]

14. The most significant shifts in sectoral patterns in ODA disbursements from 2013 to 2014 were decreases in debt relief and general budget support, both due to substantial changes in disbursements to those sectors by a few donor countries.[27] The recent trend away from programme-based approaches, including budget support, needs close monitoring to ensure that it does not undermine the important progress made in improving the effectiveness of development cooperation (see sect. III).

15. While some ODA is directed towards global challenges, and such targeting in certain contexts is clearly needed, it is essential to improve the definitions of what constitutes a global challenge and to what extent it should be considered as requiring ODA. OECD is currently modernizing the ODA measure and developing a complementary framework to map broader flows (see box 1).

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[22] See Martin, 2016 Development Cooperation Forum Policy Brief No. 7 (see footnote 20). The brief looks at blended development cooperation as defined in the Addis Ababa Action Agenda, as public finance blended with non-concessional private finance, which can be done through: grants, loans or equity contributions that are blended with private flows; and through methods such as guarantees, used to encourage private flows via risk-sharing or mitigation. The brief considers also blending of public and private "not for profit" development cooperation flows.

[23] See for example, Griffith et al., 2014, *Financing for Development post-2015: Improving the Contribution of Private Finance*, commissioned by the European Parliament.

[24] See www.oecd.org/dac/stats/ODA-2015-detailed-summary.pdf.

[25] Development Assistance Committee, Creditor Reporting System.

[26] Ibid.

[27] Ibid.

Box 1: Total official support for sustainable development

The OECD Development Assistance Committee is leading the development of a new statistical framework known as total official support for sustainable development, to complement its measurement of ODA. Emerging features of the framework include:

- **Coverage**: all resource inflows, both public and private, to developing countries and multilateral organizations originating from official sources and interventions, regardless of the type of instrument
- **Scope**: the motivation behind any expenditure reported as total official support for sustainable development must be in support of sustainable development as defined by the 2030 Agenda
- **Principles**: alignment with developing countries' priorities and with international commitments and disciplines
- **Transparency**: capturing both provider and recipient perspectives (project-level information and cross-border flows) and monitoring framework volumes in relation to ODA.

In line with paragraph 55 of the Addis Ababa Action Agenda, discussions under the framework should be highly inclusive, and many other significant issues remain to be addressed.[a] It remains open as to whether to include private flows mobilized by official sources, which requires further analysis to reach agreement on an appropriate methodology to measure the leveraging effect of public funds on other resources that have an impact on sustainable development. How the provider and recipient perspectives will interact and be reconciled within the framework needs to be determined. In general, it will be important that the framework does not create incentives that work against long-term sustainable development — for example, incentivizing private finance flows that are short term and subject to sudden reversals; creating excessive debt; or potentially increasing exchange rate risks through more liabilities denominated in foreign currency.[b]

[a] See the 2016 Committee for Development Policy report to the Economic and Social Council (forthcoming).

[b] See www.oecd.org/dac/financing-sustainable-development/tossd.htm.

B. Improving the targeting of official development assistance and aligning cooperation

16. In the context of the 2030 Agenda, ODA can and should be prioritized further to drive public and private resources to where needs are greatest and capacities weakest.[28]

17. One way to potentially improve the targeting of ODA is for agencies providing ODA to have a legal mandate to focus allocations according to poverty reduction. Analysis shows that donor agencies with a legal mandate to combat poverty, or that consider it a primary goal, are more likely to allocate ODA to countries with the

[28] See General Assembly resolution 69/313, para. 52.

lowest levels of government resources, as a percentage of gross domestic product (GDP), and the highest levels of poverty.[29]

18. Special attention is required to ensure that ODA benefits the poorest and populations with specific concerns, including women and girls (see box 2). Allocation criteria based on gross national income per capita need to be reconsidered in the context of the Sustainable Development Goals, taking into account the country's existing capacities and other social and environmental vulnerability factors.[30]

Box 2. Transformative financing for gender equality and the empowerment of women and girls

Although Development Assistance Committee donors' support to gender more than tripled during the implementation of the Millennium Development Goals,[a] overall investments remain far below the levels required to achieve gender equality, and only a small proportion addresses women's specific needs. As called for by the United Nations Entity for Gender Equality and the Empowerment of Women, commitments were made in the Addis Ababa Action Agenda to adopt and strengthen sound policies, enforceable legislation and transformative actions for the promotion of gender equality and women's and girls' empowerment at all levels. The Addis Ababa Action Agenda further underscores the need for gender mainstreaming, including targeted actions and investments in the formulation and implementation of all financial, economic, environmental and social policies, and urges countries to track and report resource allocations for gender equality and women's empowerment.

[a] See "From commitment to action: Financing gender equality and women's rights in the implementation of the Sustainable Development Goals", OECD Development Assistance Committee Network on Gender Equality (GENDERNET), March 2015, www.oecd.org/dac/gender-development/From%20commitment%20to%20action%20FINAL.pdf.

19. Better targeting of countries should be coupled with better targeting of modalities. At present, ODA grant allocations are primarily focused on countries with low levels of government revenue and high depth of poverty, while ODA loan allocations are primarily focused on countries with low government revenue, with less emphasis on the depth of poverty. However, large numbers of ODA grants went to middle-income countries with lower poverty levels, mostly towards financing efforts to address global challenges, such as climate mitigation and public health.[31]

20. Development cooperation is also expected to be used even more strategically in the context of the Sustainable Development Goals as a catalyst to mobilize other types of resources.[32] In this regard, it is vital to closely monitor and document the evidence on the effectiveness of different ways of using ODA as a leveraging tool,

[29] See Strawson, 2016 Development Cooperation Forum Policy Brief No. 2 (see footnote 10).

[30] See General Assembly resolution 67/221, in which development partners are invited to consider least developed country indicators, gross national income per capita, the human assets index and the economic vulnerability index as part of their criteria for allocating official development assistance (para. 23).

[31] Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 13, "ODA allocation and other trends in development cooperation in LDCs and vulnerable contexts".

[32] General Assembly resolution 69/313, para. 54.

including to catalyse private investment through public-private partnerships in developing countries. The present section points to three uses of ODA as a leveraging tool.

21. First, development cooperation, including through enhanced South-South cooperation, should take a more prominent role in unleashing the transformative power of science, technology and innovation, including information and communications technologies, to facilitate access to environment-friendly technologies, accelerate human progress, develop knowledge societies and close technology gaps. The objectives should be pursued with a particular focus on the least developed countries, landlocked developing countries and small island developing States, in line with efforts by the newly established Technology Facilitation Mechanism and proposed technology bank for least developed countries. Focus should also be placed on how indigenous/local knowledge systems and technologies could be leveraged through development cooperation. Policy advice and capacity support can be vital in supporting governments and other actors to take well-informed decisions that ensure that scarce financial and non-financial resources are optimally deployed.[33]

22. Second, in the context of the Addis Tax Initiative,[34] development cooperation can provide catalytic support to developing countries to enhance tax administration capacity and employ the necessary measures through various modalities (ODA, South-South and triangular cooperation), depending on the varied country contexts. In some cases, the sharing of technology and innovation and targeted capacity-building for strengthening financial systems have proven effective. More transparent reporting on development cooperation flows for domestic resource mobilization is needed to facilitate a stronger focus on results and provide a basis for knowledge-sharing on what works. Development cooperation could play a bigger role in promoting greater coherence and policy change at the global and regional levels, targeting the systemic issues that affect domestic resource mobilization.

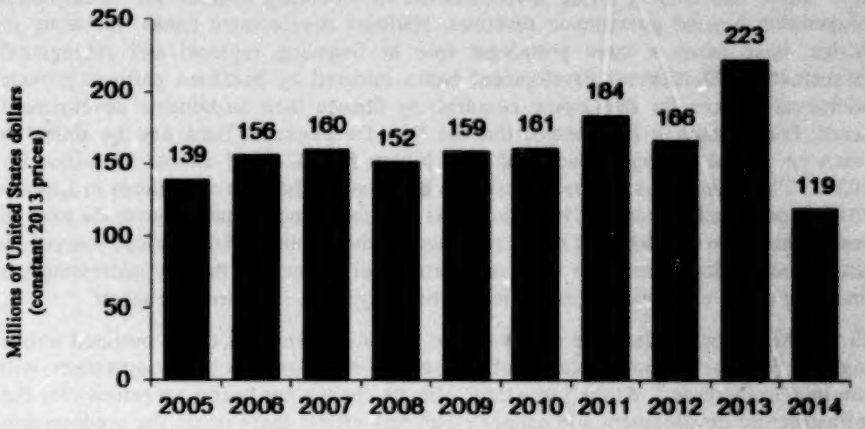
23. Third, ODA for statistical capacity-building is concentrated in just a handful of countries, and it fell in 2014 by almost half in real terms (see figure IV). Data is central to the achievement of all the Sustainable Development Goals, including Goal 17. Development cooperation should give special attention to the large data gaps and inequalities between developed and developing countries and between people with and without access to data, given the centrality of data for the achievement of all Sustainable Development Goals, including Goal 17.[35] The allocation of ODA in the area should prioritize well-defined strategies to improve statistical capacities in developing countries. The focus should be on countries with the lowest government revenue to GDP ratio, with Governments committing to increasing funding to their statistical agencies over time.

[33] See Ambuj Sagar, 2016 Development Cooperation Forum Policy Brief No. 5, "Strengthening technology facilitation and capacity-building in a post-2015 setting: understanding the issues", and Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 8, "International development cooperation to promote technology facilitation and capacity-building for the 2030 Agenda".

[34] See General Assembly resolution 69/313, para. 22 and A/70/320, paras. 56 and 57.

[35] See for example General Assembly resolutions 69/313, paras. 125-129, and 70/1, para. 48.

Figure IV
ODA to statistical capacity-building



Source: Development Assistance Committee, Credit Reporting System.

C. Trends and developments in South-South cooperation

24. South-South cooperation continued to grow despite the slowing down of the emerging economies and dropping commodity prices. It is estimated that South-South cooperation exceeded $20 billion in 2013.[36] Based on partial data for 2014, South-South cooperation might have far exceeded the total for 2013 in monetary terms, mainly owing to the significant scale-up by Saudi Arabia, which more than doubled its assistance in 2014. Existing data also indicates the steady growth of development cooperation provided by China and India.[37]

25. The adoption of the Addis Ababa Action Agenda, the 2030 Agenda and the Paris Agreement under the United Nations Framework Convention on climate change further boosted the momentum of South-South cooperation and precipitated the launch of several major initiatives.[38] India announced a $10 billion concessional credit to Africa in the five years to come, along with $600 million in grant assistance, in addition to the ongoing lines of credit programme of India in Africa. China announced the establishment of a $2 billion fund to assist developing countries in implementing the 2030 Agenda and launched its China South-South Climate Cooperation Fund.

26. Southern partners have become an increasingly important source of humanitarian assistance. Arab States accounted for some 7.4 per cent of global humanitarian aid in 2015,[39] which is likely an underestimate. A higher proportion of

[36] South-South cooperation in the present report includes official concessional resources (concessional loans and grants as well as debt relief and technical cooperation) that are provided within the South for development purposes, and estimates are by the Department of Economic and Social Affairs. See E/2014/77.

[37] Ministry of External Affairs, India, and Ministry of Commerce, China.

[38] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 12 (see footnote 12).

[39] Office for the Coordination of Humanitarian Affairs, financial tracking service.

the humanitarian assistance from Southern partners is channelled through the public sector of the developing countries involved.

27. There has been growing diversification of financing sources for South-South cooperation beyond government revenues. National development banks, including in Africa, have taken a more prominent role in financing regional and subregional infrastructure. Multilateral development banks initiated by Southern partners provide additional sources for developing countries to finance their sustainable development needs. For instance, it is estimated that the New Development Bank has the ability to reach an annual lending capacity of $3.4 billion by 2024 and almost $9 billion by 2034.[40] The Asian Infrastructure Investment Bank, which became operational in January 2016, is projected to provide $10 billion to $15 billion in loans annually over the next 15 years. These two development banks can leverage the resources from various sources by issuing bonds denominated in local or international currencies, thereby addressing the financing needs of developing countries, particularly in the infrastructure sector.

28. While specific data are not available, initiatives such as those outlined above suggest that the overall volume of climate-related South-South cooperation will continue to increase.[41] At the same time, climate change has become a priority for the infrastructure development and capacity-building efforts that remain the predominant focus of South-South cooperation.[42]

29. Overall, South-South cooperation is evolving rapidly, which heightens the need for mutual learning and experience-sharing among Southern partners. South-South cooperation may also offer useful lessons for other actors on ways of managing development cooperation. For example, while Southern partners are often criticized for lacking adequate evaluation of their cooperation,[43] the India-Africa Forum Summit and the Forum on China-Africa Cooperation have established follow-up and evaluation mechanisms that can offer important lessons on ensuring that development cooperation commitments are met.

30. A persistent challenge to understanding South-South cooperation is a lack of comparable data. Renewed attempts are being made to address the issue. Under the auspices of the Development Cooperation Forum, a number of Governments have worked together to map out existing practices and to identify the needs and gaps in reporting on South-South cooperation at the national, regional and global levels. A technical working group has produced a non-paper and suggested a way forward. The Government of Brazil and the Ibero-American General Secretariat have also developed proposals to address the methodological challenges specific to capturing South-South cooperation. Despite their differences, the various proposals share a common understanding that some elements of South-South cooperation are not suited to calculation in monetary terms and that the purpose of the exercise is not to impose additional obligations on Southern partners but to improve understanding on how to achieve better sustainable development results from their efforts. The United

[40] UNCTAD, "A BRICS development bank: a dream coming true?" (March 2014), available from http://unctad.org/en/PublicationsLibrary/osgdp20141_en.pdf.

[41] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 14, "Making development cooperation on climate change sensitive to the needs of the most vulnerable countries".

[42] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 16, "Re-engineering development cooperation institutions to deliver on the 2030 Agenda for Sustainable Development".

[43] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 15, "New forms of cooperation and increased coherence to implement the SDGs".

Nations Conference on Trade and Development (UNCTAD) has also started work in the area, in partnership with other United Nations system organizations and think tanks of the South, and efforts are also under way by civil society organizations.

III. Ensuring development cooperation better supports the 2030 Agenda

31. The 2030 Agenda and its fundamental commitment to leave no one behind demands increased coherence and new forms of development cooperation, within a revitalized global partnership for sustainable development. The focus should be on the most vulnerable countries and groups in society and on building their resiliency. Achieving the Sustainable Development Goals will rely on the contributions and adaptation of all stakeholders. Resources must be spent more effectively and efficiently, with an emphasis on country and local ownership, together with politically smart, longer-term and results-oriented approaches. Improved risk management and accountability, as well as better coordination and coherence among international support mechanisms, are also needed.

32. The Development Cooperation Forum provides an opportunity for Governments and other stakeholders to have open exchanges about challenges and opportunities in development cooperation, and its deliberations and findings can provide information on progress achieved.[44] The Addis Ababa Action Agenda recognizes a specific role of the Development Cooperation Forum as being that of the primary global platform for pursuing issues concerning the effectiveness of development cooperation. The present section examines the key adjustments needed to maximize the contribution of development cooperation for the successful implementation of the 2030 Agenda and how some of the principles of effective development cooperation are growing increasingly relevant.

A. Adjusting development cooperation to achieve the 2030 Agenda

33. Development cooperation in the context of the Sustainable Development Goals is expected to play a more prominent and strategic role in supporting all developing countries, including in the five areas outlined below. Each area has implications for adjusting development cooperation institutions in all countries.

1. Orienting cooperation towards the Sustainable Development Goals and developing country priorities

34. All countries are expected to adjust their national development cooperation strategies in line with the 2030 Agenda, including through policy and institutional reforms, and to re-orient development cooperation flows accordingly. Some countries have already launched such processes (see boxes 3 and 4). In tandem with the adjustments made by developing countries, development partners should also make efforts to align their development cooperation in accordance with the priorities of developing countries and make the necessary corresponding institutional adjustments with the objective of increasing the interoperability of their systems with those of developing countries.

[44] See Development Cooperation Forum symposium summaries (see footnote 4) and the report of the Inter-Agency Task Force on Financing for Development report (see footnote 7), p. 115.

Box 3: Adopting a whole-of-government approach in Uganda

Following the adoption of the 2030 Agenda, the Uganda Bureau of Statistics and the National Planning Authority have sought to integrate national development planning and monitoring through a two-stage process:

(a) **Alignment** with the Sustainable Development Goals — In 2015 the National Development Plan[a] was revised for the five years to come. The Plan makes reference to and integrates the Goals, including policy coherence for sustainable development;

(b) **Making ministries and local governments Goal-compliant** — The Authority is now working to ensure that the sectoral policies and budgets of ministries are aligned to the Plan and the Goals, with monitoring and evaluation processes to be spearheaded by the Offices of the President and the Prime Minister. Each ministry deemed compliant by the Authority will receive a certificate of compliance;

The mid-term review by the Authority will take place over a span of two years to reflect progress towards the Goals.

[a] See http://npa.ug/wp-content/uploads/NDPII-Final.pdf.

Box 4: Adjusting development cooperation agencies to the 2030 Agenda

One of the key opportunities and challenges in the context of the Sustainable Development Goals is to achieve not only more coherent but more integrated policies, ensuring that different policy sectors work together towards sustainable development and leave no one behind. Some features in organizational structures can be identified as making development cooperation agencies more effective: (a) a strong mandate, such as in Sweden, where all ministries have the responsibility to implement the Policy for Global Development adopted in 2003; (b) a cabinet-rank minister to speak for development cooperation can influence the development agenda in a positive manner, as in the United Kingdom of Great Britain and Northern Ireland; (c) a "whole-of-society" approach that supports collaborative management; and (d) developing the skills and competencies of development agencies to manage new partnerships.

The necessary adaptations for implementing the Sustainable Development Goals, including fresh approaches in development cooperation, have been started in many countries. In Germany, a number of structures are in place to promote sustainable development cooperation. Switzerland has set up an internal coordination group to examine the challenges of the 2030 Agenda and the implications for the organizational structure and processes in the country.

Source: Gavas, M., Gulrajani, N., and Hart, T., "Designing the development agency of the future" (Overseas Development Institute, London, 2015); Swiss Federal Council, Sustainable Development Strategy 2016-2019.

2. Policy coherence for sustainable development

35. Policy coherence for sustainable development[45] should be embedded as an overarching principle for the required policy and institutional reforms. It calls for greater integration of policies by the Governments both of developed and of developing countries to promote policy space, country ownership and synergies. Policy coherence for development is aimed at preventing countries' non-development-related cooperation policies from having any inadvertent impacts on developing countries. A new emphasis on policy coherence for sustainable development and integration of policies could further propel intersectoral collaboration and multi-stakeholder partnerships beyond development cooperation authorities (e.g., the Aid-for-Trade initiative, through its multilevel biennial global reviews).

3. Supporting adaptation and strengthening of capacities

36. Development cooperation can play a catalytic role in strengthening the policy, institutional and technological capacities of developing countries in various areas.[46] These include development and the transfer of science, technology and innovation, including information and communications technologies;[47] the collection and management of data on development cooperation;[48] tax administration; private sector development and engagement; and the institutionalization of accountability frameworks.

4. Supporting multi-stakeholder processes with a whole-of-society approach

37. Development cooperation in the context of the Sustainable Development Goals implies the need for effectively managing inclusive multi-stakeholder partnerships, with greater emphasis not only on the results but also on the joint development processes.[49] It requires enhanced institutional capacity for public institutions to share power and involve all stakeholders to create a new culture of engagement and participation based on human rights, inclusion, transparency and accountability. Development cooperation is well positioned to facilitate the stakeholder exchange to promote participatory processes, review evidence, share knowledge and build trust among partners.

5. Strengthening multilateralism in development cooperation

38. There is a strong case to be made for a new multilateralism in development cooperation, with the capacity to take on and spread risks, focus on longer-term results and perspectives and to be less politicized and more selective, accountable and predictable.[50] In the light of the 2030 Agenda and its implications for

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[45] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 16 (see footnote 42) and 2016 Development Cooperation Forum Policy Brief No. 15 (see footnote 43).

[46] See the report of the Inter-Agency Task Force on Financing for Development, paras. 114-124.

[47] Department of Economic and Social Affairs, 2016 Economic and Social Council, Development Cooperation Forum Policy Brief No. 8 (see footnote 33).

[48] Development finance assessments, developed by the United Nations Development Programme (UNDP) and the Asia Pacific Development Effectiveness Facility, provide a tool for mapping available flows of development cooperation and stimulating dialogue around reforms that may be necessary to strengthen linkages between resources, priorities and results at the country level. See UNDP, "Strengthening Development Cooperation in Support of the 2030 Agenda for Sustainable Development", UNDP discussion paper (November 2015).

[49] See General Assembly resolution 69/313, para. 50.

[50] See Gulrajani, "Bilateral vs. multilateral aid channels: strategic choices for donors," Overseas Development Institute report.

development cooperation, the Economic and Social Council has initiated a transparent and inclusive dialogue on the longer-term positioning of the United Nations development system.[51] A key message emanating from the dialogue is that more effectively supporting Member States in the context of the Sustainable Development Goals will require the United Nations system to move towards a truly integrated response to the increasingly diverse country priorities and needs, on the basis of joint analysis, planning, implementation, monitoring and review.[52]

B. Effective development cooperation for achieving the 2030 Agenda

39. Principles of effective development cooperation have grown increasingly relevant, although progress in their implementation has not kept pace.[53] The present section highlights the centrality of country ownership and alignment, among other principles, demonstrating how they can be implemented concretely in response to the evolving environment.

40. **Country ownership** entails the development, implementation and oversight of national development plans that are owned by whole societies, through institutionalized participatory development processes engaging multi-stakeholder partners, including parliaments. In its 2014 progress report, the Global Partnership for Effective Development Cooperation notes that the progress made up to 2010 in strengthening and using country systems had been broadly sustained but still fell short of the targets set. The report stressed the need for stronger dialogue among relevant actors.[54]

41. **Alignment** in development cooperation activities by external partners often indicates the extent to which countries own their development processes. Under the 2030 Agenda, alignment means that development partners, both bi-lateral and multi-lateral, align their support with the Sustainable Development Goals and the priorities and systems of the Governments of developing countries both at headquarters and at the country level.

42. To strengthen country ownership and alignment, three sets of policy and/or institutional reforms are recommended:

(a) **National development cooperation policies of developing countries should spell out preferred modalities, division of labour and performance assessment frameworks for individual development partners.**[55] Well-defined national development cooperation policies can effectively incentivize behavioural changes and result in better alignment of resources and reduced fragmentation. The outcome of the latest Development Cooperation Forum Survey of progress in mutual accountability also indicates that better alignment of partner countries is

[51] See Economic and Social Council resolution 2014/14.

[52] See A/71/63-E/2016/8, para. 304.

[53] See General Assembly resolution 69/313, para. 58, and E/2014/77.

[54] Available from: www.keepeek.com/Digital-Asset-Management/oecd/development/making-development-co-operation-more-effective_9789264209305-en#page1. Initial analysis of the results of the second round of monitoring by the Partnership will be available in July 2016 and the full report in October 2016 in advance of its second high-level meeting (28 November to 1 December 2016).

[55] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 3, "Addressing changes and challenges in monitoring and review of development cooperation at the national level".

generally prompted by monitoring of targets.[56] Such policies should be aligned with nationally owned sustainable development plans, including domestic resource mobilization strategies, which can in turn be supported by the integrated national financing frameworks referred to in the Addis Ababa Action Agenda (see General Assembly resolution 69/313, para. 9);

(b) **Programme-based approaches** — including general budget support, earmarked budget support and basket/pooled funding – are effective tools for aligning and harmonizing development cooperation with national priorities and reducing transaction costs.[57] The trend of decreasing general budget support since 2008 (with the exception of 2013)[58] exacerbates fragmentation and requires close monitoring;

(c) **Country results frameworks based on the Sustainable Development Goals should be developed as a new incentive mechanism.** A country results framework is a key tool for articulating a country's approach to monitoring and assessing progress made against nationally driven targets.[59] It serves to measure not only the results but also the long-term impacts of development cooperation, indicating the accountability of all actors. Country results frameworks should be in line with national development strategies and the Sustainable Development Goals and connected to budgetary and public financial management processes. Development cooperation should support developing countries to develop country results frameworks through participatory processes engaging multiple stakeholders, including local governments[60] and the most vulnerable groups in society.

43. Evidence is still lacking on how the principles of effective development cooperation are actually implemented and making sustainable development impacts on the ground in new and different contexts. Development cooperation should therefore facilitate the multi-stakeholder efforts to co-monitor, document and systemize the findings at both local and country levels and to feed back into knowledge exchange/policy dialogue forums at the regional and global levels. The Development Cooperation Forum survey and the Forum and its preparatory symposiums are well positioned to facilitate these interfaces between policymaking and practices at all levels, taking into account complementary efforts.

[56] The results of the 2015/2016 survey will be available by July 2016 from www.un.org/ecosoc/en/tracking-development-cooperation, where the previous surveys (2009, 2011, 2013) may also be accessed.

[57] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 6, "Assessing the suitability of different development cooperation modalities for greater effectiveness and impact post-2015".

[58] Development Assistance Committee statistics.

[59] See Elaine Venter, 2016 Development Cooperation Forum Policy Brief No. 11, "Promoting integrated, aligned and country-driven results frameworks for effective monitoring and review".

[60] The latest Development Cooperation Forum survey suggests that 88 per cent of countries have developed their country results frameworks through participatory processes, while noting that coverage for local governments (63 per cent) is not as high as for national Governments (95 per cent).

IV. Knowledge-sharing and mutual learning through monitoring, review and accountability of development cooperation

44. The 2014-2016 Development Cooperation Forum cycle has focused on how inclusive monitoring, review and accountability of development cooperation for mutual learning and better development results, can function as an integral part of the 2030 Agenda and its implementation at all levels, local, national, regional and global.[61] The Agenda recognizes the need to focus not only on inputs but, especially, on results, engaging all stakeholders, including private sector actors. Efforts at the various levels should operate together, in a mutually reinforcing manner, with a strong emphasis on country ownership and leadership. The systems for monitoring and review of sustainable development, broadly, and development cooperation, specifically, must be meaningfully linked at all levels.

A. Citizen-led and subnational monitoring of development cooperation

45. The 2030 Agenda places people at the centre of sustainable development and emphasizes the importance of localizing the Sustainable Development Goals and leaving no one behind. This requires the engagement of local-level actors, such as community leaders, local and regional politicians, women's groups and other civil society organizations, as well as people, both as implementing partners and as beneficiaries of the agenda. It is crucial to empower them to participate in all the steps of decision-making: implementation, monitoring and evaluation.

1. Citizen-led monitoring of development cooperation

46. The success of development cooperation in support of the 2030 Agenda can be measured in the impact it has on people's lives. The role of individuals is thus essential to measure results and to influence decisions about the future direction of development cooperation.

47. Several factors enable citizen-based monitoring of development cooperation. These include an enabling policy and legislative environment, strong leadership and readiness for change, inclusive and representative parliaments, effective partnership frameworks and platforms, people's capacity to engage, timely and accessible information and decentralized development cooperation.[62] People are active generators of valuable data that can be used in parallel with official data to

[61] See Angela Bester, "Scoping study on monitoring, review and accountability for development cooperation to support implementation of a post-2015 agenda" (Department of Economic and Social Affairs, Office for Economic and Social Council Support and Coordination, Development Cooperation Policy Branch, February 2015).

[62] See Mniki-Mangaliso, 2016 Development Cooperation Forum Policy Brief No. 9, "Citizen-based monitoring of development cooperation to support implementation of the 2030 Agenda". Decentralization is by its nature a politically sensitive process, and its rationale, depth and success are dependent on the country context and the nature of political frameworks and regulations setting out how responsibilities are divided and coordinated between different levels of administration. See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 10, "Localizing monitoring and review of development cooperation for the 2030 Agenda — Prospects and challenges".

complement and supplement that data, through modalities such as user feedback mechanisms, civic action data collection and citizen engagement mechanisms.[63]

2. Subnational monitoring of development cooperation

48. Local and regional governments are the key intermediary bodies in directing the flow of information between the local and national levels. Their role in the monitoring and review of development cooperation depends heavily on their position, capacity and empowerment within national structures and responsibilities assigned by central Governments. Experience has shown that, when provided with adequate autonomy, capacity and resources, local and regional governments can participate in monitoring and review more effectively.[64]

49. Official country-level monitoring of development cooperation often involves national Governments and their partners, with relatively low representation by local governments.[65] The effective participation of local authorities in monitoring processes is significantly related to their having been adequately involved in earlier stages of the process, such as planning and implementation, thereby contributing to improved monitoring approaches and positive development outcomes.

B. National monitoring of development cooperation

50. The effective monitoring, review and accountability of development cooperation commitments at the national level sheds light on the context-specific development cooperation challenges facing the developing countries and the possible root causes and solutions. This information contributes to helping countries to enhance their national development cooperation frameworks and informs the global policy- and standard-setting forums relevant to development cooperation and, more broadly, the follow-up and review processes relating to the 2030 Agenda.[66]

51. The biennial Development Cooperation Forum survey provides evidence on the state of play of development cooperation on the ground.[67] In 2015, the Department of Economic and Social Affairs began updating the survey design through multi-stakeholder consultative processes, with the aim of assessing the areas that are increasingly relevant in the context of the Sustainable Development Goals (e.g., the level of integration of the Goals in national development cooperation policies, the role of domestic resource mobilization in such policies,

[63] For a review, see Mniki-Mangaliso, 2016 Development Cooperation Forum Policy Brief No. 9 (see footnote 62).

[64] Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 10 (see footnote 62).

[65] See Bester, "Scoping Study" (see footnote 61).

[66] The forthcoming monitoring report by the Global Partnership for Effective Development Cooperation includes 10 indicators that provide information on progress on adherence to the principles of effective development cooperation (country ownership, results focus, inclusive partnerships and transparency and accountability). Eight out of ten indicators are monitored at the country level, with two indicators relying on globally sourced data. The scope of the monitoring exercise includes ODA and, for countries where non-concessional flows are relevant, other official flows.

[67] See the report of the Inter-Agency Task Force on Financing for Development (see footnote 7), pp. 77 and 78.

private and blended development cooperation.[68] The current and fourth survey helps countries to structure their assessment around several enablers of effective development cooperation that can also strengthen mutual accountability.[69] They include: national development cooperation policies; monitoring frameworks; institutional structures for development cooperation with dialogue platforms; data and information; political leadership; and capacity development.

52. In the outcome of the fourth Development Cooperation Forum survey, the following changes, challenges and proposals are suggested for enhancing the accountability of all development cooperation actors.

(a) Currently, 72 per cent of countries participating in the survey have national development cooperation policies. Such policies are more likely to set out the targets for the government ministries of developing countries (92 per cent) compared to those of individual development partners (54 per cent). They are less likely to contain targets for partners that provide mostly non-financial development cooperation (27 per cent). More than half of respondent countries do not require parliaments to hold public hearings prior to the adoption of national development cooperation policies. Overall, such policies should include robust results frameworks as well as specific division of labour and be regularly reviewed by parliaments. These rectifications will enhance both mutual and domestic accountability. National Governments should ensure the full engagement of parliament and civil society in the processes and strengthen accountability towards people;

(b) 81 per cent of respondent countries have monitoring frameworks for development cooperation, but parallel partner results frameworks persist in nearly half the countries surveyed. Few incentives exist for development partners to align with policies and systems of developing countries. It is therefore recommended that development cooperation should support developing countries to take a transformative approach to developing country results frameworks as a mechanism to incentivize a wider range of development cooperation actors to achieve more inclusive and sustainable development cooperation for longer-term impacts (see sect. III);

(c) 86 per cent of countries have institutional structures for dialogue in place, such as national development cooperation forums. These were seen to add value in building trust among stakeholders, advancing negotiations on development cooperation, aligning it with national policymaking and promoting knowledge-sharing and mutual learning. National development cooperation forums tend to review contributions by ministries and bilateral partners more than those of local governments or of private foundations and philanthropic organizations. It is vital to invest in strengthening the institutional capacity of developing countries to prepare, convene and follow up on national development cooperation forums and find creative ways to engage the participation of relevant multi-stakeholder partners. This must be coupled with efforts to address the inadequate capacity support for development cooperation actors, in particular parliamentarians and civil society organizations, which remains a barrier to integrated national-level monitoring, review and accountability on development cooperation;

[68] See Department of Economic and Social Affairs, 2016 Development Cooperation Forum Policy Brief No. 3 (see footnote 55).

[69] In the 2015/2016 survey exercise, 58 out of 84 targeted countries participated, half of which were least developed countries.

(d) Developing countries have limited capacity to collect, analyse and synthesize data for decision-making, which is exacerbated by the additional burden put on them for reporting. The Development Cooperation Forum survey shows that only 47 per cent of development cooperation information systems (in developing countries) use the national budget codes and only 33 per cent of the budget codes of development partners are aligned with the development cooperation information systems in developing countries. It is critically important to identify ways to effectively motivate and enable development partners to use country systems and to support developing country Governments to revamp development cooperation information systems, with the aim of strengthening their interoperability with the budgetary processes both of developing countries and of their external partners. Ongoing work towards enhancing the quality and accessibility of data on development cooperation includes efforts such as the International Aid Transparency Initiative, the Open Government Partnership and the International Budget Partnership.

53. In addition, the efforts to secure transparent and valid data on development cooperation involving private entities should be advanced to better measure the effectiveness and impact of such cooperation. This will support better policymaking and engagement; encourage best practice, mutual learning and knowledge-sharing; and help to drive continuous improvement in the quantity, quality and targeting of resources for sustainable development. A more global, multi-stakeholder and joined-up approach to assess the impact and effectiveness of private and blended development cooperation should be within reach.

C. Regional and global monitoring and review of development cooperation

54. While the implementation of the Sustainable Development Goals will depend greatly on national action, most of the goals and targets also require strengthened international cooperation to be followed through. Follow-up and review processes at the regional and global levels should be mutually reinforcing and must complement and support national and local reviews, with the ultimate purpose of accelerating progress towards the eradication of poverty and hunger and towards other Goals.[70]

55. The outcome of national monitoring and review should feed into and benefit from regional monitoring and mutual review processes, which can provide platforms for identifying the capacity-building needs of participating countries and opportunities for knowledge-sharing, mutual learning and technology exchanges. The regional commissions have an important role to play in facilitating information exchange and mutual review.[71] The African Peer Review Mechanism of the African Union-New Partnership for Africa's Development, the Cairns Compact on Strengthening Development Coordination in the Pacific and the Caribbean Community are also noted examples of regional mechanisms for monitoring and review. The current and previous Development Cooperation Forum surveys (for 2013 and 2015/16) showed 95 per cent of countries as indicating that they had made use of

[70] See the report of the Secretary-General on critical milestones toward coherent, efficient and inclusive follow-up and review at the global level (A/70/684).

[71] See the paper by the regional commissions, "Regional Reflections on 2030 Agenda Follow up and Review Framework", available from www.regionalcommissions.org/FUR2015.pdf.

the findings both of regional and of global monitoring mechanisms to review trends in development cooperation.

56. The 2016 high-level political forum, under the auspices of the Economic and Social Council, is expected to take a holistic view of implementation as the central global review platform. It assesses progress, achievements and the challenges faced by all countries, and ensures that the 2030 Agenda remains relevant and ambitious.

57. The Economic and Social Council Forum on Financing for Development will review the implementation of the Addis Ababa Action Agenda and the delivery of the means of implementation of the 2030 Agenda. The Development Cooperation Forum focuses on the key role of development cooperation as an integrating force for implementing the 2030 Agenda. Its work informs the financing for development follow-up process and contributes to the implementation of the Addis Ababa Action Agenda. The high-level political forum takes the work of the Development Cooperation Forum into account in its review of progress towards the 2030 Agenda. The Development Cooperation Forum identifies gaps hindering successful partnerships, helps to design and implement monitoring and review mechanisms and assesses the effectiveness of various tools. The Development Cooperation Forum Surveys map national progress related to the quality, impact and effectiveness of development cooperation.

58. At the global level, future quadrennial comprehensive policy reviews of operational activities for development of the United Nations system can also review system-wide performance in terms of effectively supporting Member States in implementing the 2030 Agenda.

V. Key recommendations and conclusions

59. Development cooperation holds tremendous potential as a lever for the effective implementation of the 2030 Agenda for Sustainable Development. It includes a broad area of international action, featuring various modalities: financial resources, capacity-building, technology development and transfer, policy change and multi-stakeholder partnerships. It should remain tightly focused on the efforts of developing countries to implement the Sustainable Development Goals, with the fundamental concern of leaving no one behind and a special focus on the most vulnerable countries and groups. Effective development cooperation can help to initiate the profound policy and programme integration required by the Goals, facilitating inclusive cross-sector partnerships and providing capacity support for policy coherence for sustainable development.

60. The 2030 Agenda should further propel a change of mindset among all development cooperation actors. Individual and joint actions are required to overcome the silos impeding more coherent and integrated policy responses and to adapt development cooperation institutions at all levels. Global institutions should align their priorities, corporate strategies, operational approaches, funding and capacity with the Sustainable Development Goals. Development cooperation in the context of the Goals should play a more prominent and strategic role in supporting developing countries at all stages of development, with an intensified focus on achieving sustainable development impact. This will require special attention to filling the large data gaps in this area and to enhancing the quality and accessibility of disaggregated data on development cooperation.

61. Official development assistance (ODA) remains a unique and important driver of development cooperation, and existing commitments on ODA must be met. ODA should be further prioritized and better used to primarily target people in deepest poverty and countries with weakest capacities. ODA can target specific areas of need and reach the poorest and most vulnerable people, and it should be used to tackle the root causes of conflicts.

62. ODA can also be an important leveraging tool in areas such as domestic resource mobilization; strengthening statistical capacities; and mobilizing public-private partnerships in developing countries. However, evidence on the effectiveness of the different ways of using ODA as a catalyst to mobilize other resources needs to be closely monitored. Private entities engaged in such cooperation should publish more and better information on the effectiveness and impact of their cooperation and their assessment methods. Blended finance should mobilize additional private flows, support national sustainable development priorities and increase sustainable development impact.

63. New initiatives in South-South cooperation and their follow-up and evaluation mechanisms should be studied to draw useful lessons for other actors on ways of managing development cooperation. Efforts to improve understanding on how to achieve better sustainable development results from South-South cooperation should continue with the support of the United Nations. Development cooperation, including through South-South cooperation, should take a more prominent role in unleashing the transformative power of science, technology and innovation, including information and communications technologies.

64. Achieving genuine country ownership and alignment requires a significant shift in cooperation frameworks and processes in all countries. Development cooperation should support developing countries to put in place, in particular, national development cooperation policies, programme-based approaches and country results frameworks based on the Sustainable Development Goals for achieving more inclusive and sustainable development impact.

65. Governments of all countries, local governments, parliaments, civil society organizations and people have a collective responsibility in the monitoring and review of progress towards development cooperation commitments, with a strong focus on knowledge-sharing and mutual learning for better development results. The accountability of Governments to the people should be further strengthened. Given the breadth and complexity of the 2030 Agenda, resources must be stepped up for robust national and local monitoring and review of development cooperation commitments, supported by effective global and regional follow-up and review mechanisms.